



**BENEFITS**  
October 2009



Getting  
Started

## U.S. Benefits Plan Description



### LOOK INSIDE

Your easy-to-use reference guide to Starbucks health coverage, 401(k) savings plan, tuition reimbursement, time-off plans and more






# Your #1 source for benefits information

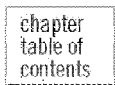
This Benefits Plan Description is a complete guide to your benefits. Use it to answer your questions and to learn more about your benefit plans. The more you know, the more valuable your benefits will be to you and your family.


## Using this interactive guide


This guide is designed to help you find the information you need quickly and easily. The row of buttons on the right side of every page will help you navigate through and find the information you need.


The  page  buttons will take you back or forward one page at a time.

 This button will take you to the **main table of contents**. All chapters of the book are listed in the main table of contents, and each is hyperlinked to take you to the table of contents of the chapter you select.

 When you are in a chapter, this button will take you to the **chapter table of contents** for the chapter you are in. Each entry in the chapter table of contents is also hyperlinked, so you can jump directly to the information you need. (Note that this page is not part of a chapter, so the button doesn't work here.)

The  button will take you to the pages you previously viewed. So, for example, if you were on page 122 and jumped to another page to check on a cross-reference, the back button will return you to where you were on page 122. A second click on the back button will take you to the page you viewed before 122, and so on.

The  button takes you to the alphabetical index. All index entries are linked, so once you find what you are looking for, you can go straight there.

The  button opens a window where you can type in a term you are looking for, then press enter and it will find the next occurrence of that term. The search button is a highly useful way to find information you need.

## Links are blue

All references to other pages are linked and all links are blue. All internet addresses are also linked. If you have an internet connection and click an active URL, it will launch your internet browser and take you to the selected website.

**Dive in. Explore.** You will find answers to a wide range of questions with this book. If you need help, however, you have several sources, and they're all described for you in detail in "Where to Get Help" on page 2.



# Responding to life's changes

Your Starbucks benefits are there to help

## Actions to take and deadlines to meet

### GETTING MARRIED OR STARTING A DOMESTIC PARTNERSHIP?

You have 45 days following your wedding or beginning your domestic partnership to add your spouse or domestic partner and to make other related changes to your benefits. It's easy. Just call Starbucks Benefits Center at (877) SBUXBEN.

### MOVING?

It is important we have correct contact information for you. Update your address and phone number via ESS on Starbucks Portal and Starbucks Online, or call Starbucks Partner Contact Center at (866) 504-7368.

Don't know if we have your current address? Just check your paycheck.

### GETTING A DIVORCE, LEGALLY SEPARATING OR ENDING A DOMESTIC PARTNERSHIP?

You have 45 days following your divorce, legal separation or end of your domestic partnership to remove your spouse or domestic partner from Starbucks coverage and make other related changes to your benefits. Just call Starbucks Benefits Center at (877) SBUXBEN.

Your ex-spouse or ex-domestic partner is not eligible for Starbucks benefits coverage, even if your divorce agreement says you will continue to provide health coverage and/or life insurance. You must remove your ex-spouse or ex-domestic partner from Starbucks health coverage and dependent life insurance.

Here are other changes to consider:

- Change the amount of your life insurance
- Update your life insurance beneficiary

### PREGNANT OR ADOPTING?

Congratulations! Be sure to get benefits coverage for your new family member by calling (877) SBUXBEN within 60 days of the birth or 45 days of the adoption.

You have just 45 days to make other benefit changes. Consider these:

- Enrolling in or increasing your life insurance
- Enrolling in child life insurance
- Increasing your health care reimbursement account contributions and enrolling in or changing your dependent care reimbursement account (for salaried and nonretail hourly partners)

You will also need to apply for:

- If you are the partner and pregnant, a leave of absence to protect your benefits eligibility while away
- Short-term disability benefits to help you while you can't work

Call Starbucks Benefits Center Leave Administration at (877) SBUXBEN.

Also visit Starbucks Benefits Source to help you prepare for and track your pregnancy and your child's development. Link to Health Tools from [www.mysbuxben.com](http://www.mysbuxben.com).

If adopting, be sure to apply for adoption assistance benefits. See page 219.

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# Where to Get Help

| GENERAL RESOURCES   | ADDRESS  | PHONE  | WEB OR EMAIL  |
|---|--|--|---|
| <b>Starbucks Benefits Center</b><br><b>BENEFITS</b> <ul style="list-style-type: none"> <li>• Eligibility and enrollment</li> <li>• Add or remove a dependent</li> <li>• Obtain a Certificate of Coverage for life insurance</li> <li>• Change beneficiaries for life and AD&amp;D</li> <li>• COBRA administration</li> </ul>    | Eligibility & Enrollment<br>Department S-6607<br>100 Half Day Road<br>P. O. Box 1540<br>Lincolnshire, IL<br>60069-1540 | <b>(877) SBUXBEN</b><br>7:30 a.m. – 4 p.m.<br>Pacific Time<br>Weekdays<br><i>Relay and language translation services available</i> | Link from:<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a>  |
| <b>Starbucks Benefits Center</b><br><b>LEAVE OF ABSENCE</b> <ul style="list-style-type: none"> <li>• Initiate a leave of absence (including Family/Medical, Personal, Military and Career Coffee Break)</li> <li>• Apply for disability benefits</li> </ul>   | Leave Administration<br>P.O. Box 1423<br>Lincolnshire, IL<br>60059-1423  | <b>(877) SBUXBEN</b><br>6:30 a.m. – 3:30 p.m.<br>Pacific Time<br>Weekdays<br>Fax: (847) 883-8032                                   |   |
| <b>Starbucks Benefit Source</b> <ul style="list-style-type: none"> <li>• Enroll in benefits</li> <li>• Take HealthQuotient</li> <li>• Information on health plans, EAP, tuition reimbursement and adoption assistance</li> <li>• Thrive Wellness</li> <li>• Partner Perks and Discounts</li> </ul>                              |  |  | <a href="http://www.mysbuxben.com">www.mysbuxben.com</a>  |
| <b>Starbucks Partner Contact Center</b> <ul style="list-style-type: none"> <li>• Your paycheck</li> <li>• Your payroll taxes and deductions</li> <li>• Paid time off and sick pay</li> <li>• Your change of address or other personal changes</li> <li>• File a life insurance or AD&amp;D claim</li> <li>• CUP Fund</li> </ul> | Starbucks Corporation<br>P.O. Box 34067<br>Seattle, WA<br>98124-1067   | <b>(866) 504-7368</b><br>5 a.m. – 5 p.m.<br>Pacific Time<br>Weekdays   | For address and personal information changes, go to "My Partner Info" on the Starbucks Portal and Starbucks Online. |

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| <b>Employee Assistance Program</b> <ul style="list-style-type: none"> <li>• Locate EAP providers</li> <li>• Help balancing work, life and personal issues</li> <li>• Counseling for stress-related issues, emotional difficulties, alcohol and drug abuse, relationship issues at home or work</li> <li>• Help finding day care</li> <li>• Talk with experts about financial and legal concerns</li> </ul>  |  | <b>(800) 327-5564</b><br>24 hours a day,<br>seven days a week   | Link from:<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a>  |
| <b>Starbucks Benefits Department and Health Privacy Office</b> <ul style="list-style-type: none"> <li>• Submit a review for eligibility</li> <li>• Apply for adoption assistance</li> <li>• Exercise your rights under the Health Insurance Portability and Accountability Act (HIPAA)</li> </ul>   | Starbucks Coffee Company<br>Health Privacy Office<br>Mailstop S-HR3<br>P.O. Box 34067<br>Seattle, WA<br>98124-1067 | <b>Access through Partner Contact Center</b><br><br>(866) 504-7368<br>5 a.m. – 5 p.m.<br>Pacific Time<br>Weekdays<br>Fax: (206) 318-0445                                      | <a href="mailto:HealthPrivacyOffice@starbucks.com">HealthPrivacyOffice@starbucks.com</a>  |
| HEALTH CARE COVERAGE  | ADDRESS  | PHONE   | WEB OR EMAIL  |
| <b>Premera Partner Services</b> <ul style="list-style-type: none"> <li>• Medical and dental claims</li> <li>• Dental plan and preauthorization for treatment</li> <li>• Dental preferred providers</li> <li>• Medical and dental ID cards</li> <li>• Current provider information</li> <li>• Covered health care expenses</li> <li>• Participating pharmacies and prescription formulary</li> <li>• Health and dependent care reimbursement accounts</li> <li>• 24-hour nurse line</li> </ul> | <i>Medical and dental claims</i><br>Premera Blue Cross<br>P.O. Box 91059<br>Seattle, WA 98111-9159                 | <b>(877) 728-9020</b><br>6 a.m. - 6 p.m.<br>Pacific Time<br>Weekdays<br><br>For information on continuing your health care coverage under COBRA, call<br><b>(877) SBUXBEN</b> | To locate a provider, link to Premera Online from<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a><br><br>To check on a claim, link to Premera Online from<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a> |
| <b>Medco By Mail</b><br><i>(Mail-Order Pharmacy)</i> <ul style="list-style-type: none"> <li>• Fill your maintenance prescriptions</li> <li>• Check on the status of your prescription mail orders</li> </ul>  | Medco Health Solutions<br>P.O. Box 650022<br>Dallas, TX 75265-0022   | <b>800-391-9701</b><br>24 hours a day,<br>7 days a week   | Link to Medco from Premera Online at<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a>  |

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| <b>HMSA</b> <ul style="list-style-type: none"> <li>• Medical plan information</li> <li>• Covered health care expenses</li> <li>• Claims processing</li> <li>• Medical ID cards</li> </ul>  | HMSA<br>P.O. Box 860<br>Honolulu, HI<br>96808-0860  | <i>Oahu (808) 948-6111</i><br><i>Hilo (808) 935-5441</i><br><i>Kailua-Kona</i><br><b>(808) 329-5291</b><br><i>Maui (808) 871-6295</i><br><i>Kauai (808) 245-3393</i><br><br><i>Away from HI</i><br><b>(800) 776-4672</b><br><br>8 a.m. to 4 p.m.<br>Hawaii Time<br>Weekdays<br><br>Complimentary Care<br>(877) 430-8092 | <a href="http://www.hmsa.com">www.hmsa.com</a>                         |
| <b>Kaiser California HMO</b> <ul style="list-style-type: none"> <li>• Medical plan information</li> <li>• Covered health care expenses</li> <li>• Nurse advice</li> <li>• Claims processing</li> <li>• Medical ID cards</li> </ul> |   | <i>Customer Service:</i><br><b>(800) 464-4000</b><br><br><i>Claims Processing:</i><br><b>(800) 390-3510</b><br><br>Spanish:<br>(800) 788-0616<br><br>TTY: (800) 777-1370<br><br>7 a.m. – 7 p.m.<br>Pacific Time<br>7 days a week  | Link from:<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a> |
| <b>Kaiser Hawaii HMO</b> <ul style="list-style-type: none"> <li>• Medical plan information</li> <li>• Covered health care expenses</li> <li>• Nurse advice</li> <li>• Claims processing</li> <li>• Medical ID cards</li> </ul>     | Customer Service:<br>Kaiser Hawaii HMO<br>711 Kapiolani Blvd.<br>Suite 400<br>Honolulu, HI 96813<br><br>Claims Processing:<br>80 Mahalani Street<br>Wailuku, HI 96793 | <b>(808) 432-5955,</b><br><b>(800) 966-5955</b><br><br>8 a.m. – 5 p.m.<br>Weekdays<br><br>8 a.m. – noon<br>Saturday<br>Hawaii Time<br><br>After-hours<br>advice nurse:<br>(808) 432-7700<br>(800) 467-3011  | Link from:<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a> |

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| <b>Vision Service Plan (VSP)</b> <ul style="list-style-type: none"> <li>• Vision benefits</li> <li>• Information on VSP doctors</li> <li>• File a claim</li> </ul> | VSP<br>3333 Quality Drive<br>Rancho Cordova, CA<br>95670<br><br>Claims:<br>P.O. Box 997105<br>Sacramento, CA<br>95899-7105 | <b>(800) 877-7195</b><br><br>6 a.m. – 6 p.m.<br>Pacific Time<br>Weekdays | Link from:<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a> |

| FUTURE ROAST 401(k)<br>SAVINGS PLAN   | ADDRESS | PHONE  | WEB OR EMAIL   |
|---|---------|--|--|
| <b>Fidelity</b> <ul style="list-style-type: none"> <li>• Questions</li> <li>• Enrollment</li> <li>• Changes to investments or contribution amounts</li> <li>• Loans and withdrawals</li> <li>• Rollovers</li> <li>• Beneficiary designations</li> </ul> |         | <b>(866) 697-1048</b><br><br>5:30 a.m. – 9 p.m.<br>Pacific Time<br>Weekdays<br><br>Translation and relay service available | <a href="http://www.netbenefits.fidelity.com">www.netbenefits.fidelity.com</a> |

| LIFE INSURANCE AND DISABILITY  | ADDRESS   | PHONE   | WEB OR EMAIL   |
|--|---|---|--|
| <b>Hartford Life and Accident Insurance Company</b> <ul style="list-style-type: none"> <li>• Portability or conversion</li> <li>• Options for life insurance</li> </ul> <p>For general questions about life or AD&amp;D, first call <b>Starbucks Benefits Center at (877) SBUXBEN.</b></p> <p>To file a claim, call the <b>Partner Contact Center at (866) 504-7368.</b></p> | Claims: Hartford Life<br>Attn: Group Life Claim Unit<br>P.O. Box 2999<br>Hartford, CT<br>06104-2999 | <b>Claims: (888) 563-1124</b><br><br>5 a.m. – 3 p.m.<br>Pacific Time<br>Weekdays<br><br><b>Portability and conversions:</b><br><b>(877) 320-0484</b><br><br>6 a.m. – 2 p.m.<br>Pacific Time<br>Weekdays | <a href="http://www.thehartford.com">www.thehartford.com</a> |
| <b>Unum</b> <ul style="list-style-type: none"> <li>• Short-term disability (STD)</li> <li>• Long-term disability (LTD)</li> </ul> <p>For general questions or to file a claim, call <b>Starbucks Benefits Center at (877) SBUXBEN.</b></p>   | Claims address:<br>Disability Benefits Center<br>P.O. Box 100158<br>Columbia, SC<br>29202-3158      | <b>(800) 858-6843</b><br><br>Fax: (800) 447-2498<br>5 a.m. – 5 p.m.<br>Pacific Time<br>Weekdays   | <a href="http://www.unum.com">www.unum.com</a>               |

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|--|---|---|---|
| <b>Hawaii TDI Pacific Guardian</b>   | Starbucks Coffee Company<br>Attn: Benefits Department<br>P.O. Box 34067<br>Seattle, WA 98124-1067 | Fax: (206) 318-7812   |   |
| <b>EDUCATION</b>   | <b>ADDRESS</b>  | <b>PHONE</b>  | <b>WEB OR EMAIL</b>   |
| <b>Starbucks Tuition Reimbursement Center</b> <ul style="list-style-type: none"> <li>• Learn how the benefit works</li> <li>• Confirm courses</li> <li>• Check on application or payment status</li> </ul>   | Starbucks Tuition Reimbursement Center<br>55 East Monroe St.<br>Suite 1930<br>Chicago, IL 60603   | <b>(888) 860-2235</b><br>9:30 a.m. – 6 p.m.<br>Central Time<br>Weekdays | Link from:<br><a href="http://www.mysbuxben.com">www.mysbuxben.com</a>                |
| <b>COMMUTER BENEFITS PROGRAM</b>   | <b>ADDRESS</b>  | <b>PHONE</b>  | <b>WEB OR EMAIL</b>   |
| <b>WageWorks Customer Service Center</b> <ul style="list-style-type: none"> <li>• Enrollment and partner elections</li> <li>• Parking and transportation options</li> <li>• Transit locations</li> <li>• Non-delivered passes</li> </ul>   |   | <b>(877) 924-3967</b><br>5 a.m. – 5 p.m.<br>Pacific Time<br>Weekdays    | <a href="https://employee.wageworks.com">https://employee.wageworks.com</a>           |
| <b>Starbucks Partner Contact Center</b> <ul style="list-style-type: none"> <li>• General eligibility and pay-related issues</li> <li>• Address and personal information</li> </ul>   | Starbucks Corporation<br>P.O. Box 34067<br>Seattle, WA 98124-1067                                 | <b>(866) 504-7368</b><br>5 a.m. – 5 p.m.<br>Pacific Time<br>Weekdays    | For address and personal information, go to "My Partner Info" on the Starbucks Portal |
| <b>GOVERNMENT BENEFITS</b>   | <b>ADDRESS</b>  | <b>PHONE</b>  | <b>WEB OR EMAIL</b>   |
| <b>Medicare</b> <ul style="list-style-type: none"> <li>• Contact the Health Care Financing Administration (HCFA) for information about Medicare</li> </ul>   |   | <b>(800) MEDICARE</b>   | <a href="http://www.medicare.gov">www.medicare.gov</a>                                |
| <b>Social Security Administration</b> <ul style="list-style-type: none"> <li>• Learn about Social Security benefits and how to apply</li> <li>• Understand how Social Security works</li> <li>• Request your free Personal Earnings and Benefit Estimate</li> <li>• Locate an office in your area</li> </ul> |   | <b>(800) 772-1213</b>   | <a href="http://www.ssa.gov">www.ssa.gov</a>  |

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**ELIGIBILITY AND ENROLLMENT**

*At Starbucks, we offer health care benefits to part-time as well as full-time partners. And we believe in building flexibility into our benefits program, since we each have unique and personal benefits needs.*

## **Benefits Eligibility**

As a Starbucks partner, you must meet certain criteria to become eligible and maintain eligibility for Starbucks benefits. Your eligibility depends on where you work, Hawaii or the U.S. mainland. Unless otherwise noted, the information in this chapter will apply to both Hawaii and U.S. mainland partners.

This section covers eligibility for purposes of medical, dental, vision and other Starbucks benefits, but does not address eligibility for the Future Roast 401(k) Savings Plan. See the 401(k) Savings Plan chapter for eligibility provisions and other information related to the 401(k).

To be eligible for Starbucks benefits:

- You must be working for Starbucks or a participating company (a company that is wholly or partially owned by Starbucks Corporation and has elected to participate in this plan) and
- Be a regular partner on the U.S. payroll of such company

You are not eligible to participate in Starbucks benefits if you are:

- Covered by a collective bargaining agreement that does not specifically provide for participation in this plan
- An independent contractor
- A worker leased from another company
- A temporary employee as defined in Starbucks Partner Resources policies
- Not on the U.S. payroll — such as a nonresident alien with no U.S. source of income
- Assigned to work overseas permanently or indefinitely
- Not classified by Starbucks as an employee, regardless of how you might be classified by the government

## **Initial benefits eligibility**

Depending on where you work, your benefits eligibility is determined based on the hours for which you are paid, your position, and/or your length of employment.

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### **Paid Hours for Initial Eligibility**

Paid hours for initial benefits eligibility for all U.S. partners includes hours that you are paid on pay dates that occur between the first day of the month through the last Friday of that calendar month. Remember, hours worked at the end of a month are generally paid in the following calendar month.

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**ELIGIBILITY AND ENROLLMENT**

Here is when you become eligible for benefits for the first time (called “initial eligibility”) following hire:

| ALL U.S. MAINLAND PARTNERS   | RETAIL HOURLY PARTNERS<br>WORKING IN HAWAII  | SALARIED/NONRETAIL HOURLY<br>PARTNERS WORKING IN HAWAII          |
|--|--|--|
| The first day of the second month after you have received pay for at least 160 hours over two consecutive calendar months. Hours must be paid by the last Friday of the second month to count for eligibility. | The first day of the month after you have completed four consecutive weeks of employment and received pay for at least 80 hours in a single calendar month. Hours must be paid by the last Friday of the month to count for eligibility. | The first day of the month following your most recent hire date. |

Starbucks will check your paid hours (and weeks of employment for partners in Hawaii) on the last Friday of every month until you attain initial benefits eligibility. Once you have established initial benefits eligibility, we send an enrollment kit to your home address. U.S. mainland partner enrollment kits are mailed prior to the benefits eligibility date. Partners working in Hawaii are mailed enrollment kits as soon as reasonably possible after eligibility is established.

To check on the status of your *paid hours* for initial benefits eligibility, call Starbucks Partner Contact Center at (866) 504-7368.

*Another way for U.S. mainland partners to look at initial eligibility:*

| IF PAID 160 HOURS ON<br>PAY DATES DURING | BENEFITS ENROLLMENT KIT MAILED<br>TO YOUR HOME IN EARLY | IF YOU ENROLL, YOUR BENEFITS<br>COVERAGE BEGINS |
|--|---|---|
| October – November                       | December  | January 1                                       |
| November – December                      | January   | February 1                                      |
| December – January                       | February  | March 1   |
| January – February                       | March   | April 1   |
| February – March                         | April   | May 1   |
| March – April                            | May   | June 1  |
| April – May                              | June  | July 1  |
| May – June                               | July  | August 1  |
| June – July                              | August  | September 1                                     |
| July – August                            | September   | October 1                                       |
| August – September                       | October   | November 1                                      |
| September – October                      | November  | December 1                                      |

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**ELIGIBILITY AND ENROLLMENT**

Here is an example of how initial eligibility works. In this example, the partner was hired April 2, 2009. He was paid for 80 hours in April and 100 hours in May.

| <b>EVENT</b>                               | <b>U.S. MAINLAND PARTNERS</b>        | <b>RETAIL HOURLY PARTNERS WORKING IN HAWAII</b>   | <b>SALARIED/NONRETAIL HOURLY PARTNERS WORKING IN HAWAII</b> |
|--|--------------------------------------|---|---|
| <b>Hire date</b>                           | April 2, 2009                        | April 2, 2009                                     | April 2, 2009   |
| <b>Paid hours for benefits eligibility</b> | 180 total (80 in April + 100 in May) | 80 in April                                       | Not a consideration   |
| <b>Length of employment</b>                | Not a consideration                  | Four weeks by end of April, met four-week minimum | Not a consideration   |
| <b>Eligible for benefits</b>               | July 1                               | May 1   | May 1   |

Let's look at another example. Assume the partner was hired April 16, 2009, was paid 20 hours in April, 100 hours in May and 90 hours in June.

| <b>EVENT</b>                               | <b>U.S. MAINLAND PARTNERS</b>  | <b>RETAIL HOURLY PARTNERS WORKING IN HAWAII</b>  | <b>SALARIED/NONRETAIL HOURLY PARTNERS WORKING IN HAWAII</b> |
|--|--|--|---|
| <b>Hire date</b>                           | April 16, 2009   | April 16, 2009   | April 16, 2009  |
| <b>Paid hours for benefits eligibility</b> | 120 hours, April + May, did not meet 2-month minimum of 160 hours<br><br>190 hours, May + June, met 2-month minimum of 160 hours | 20 hours in April, did not meet 80 hour minimum<br><br>100 hours in May, met 80 hour minimum | Not a consideration   |
| <b>Length of employment</b>                | Not a consideration  | Seven weeks by end of May, met four-week minimum   | Not a consideration   |
| <b>Eligible for benefits</b>               | August 1   | June 1   | May 1   |

## Enrollment Deadline

Benefits are regulated by federal law and, in the case of insured plans, state law. As a result, there are limits on the timeframe in which you must enroll and when you can make changes. It is important that you immediately review your benefit options and take action as outlined in your enrollment kit. Your enrollment kit will be mailed to the address we have on record for you. If you move, it is important that you update your address through Partner Self Service on the Portal or by calling the Partner Contact Center at (866) 504-7368, to avoid any delays in receiving important benefits information.

### *Coverage effective date*

If you enroll for benefits, your coverage goes into effect on the same day you become initially eligible. For Starbucks-paid life insurance and disability coverage, you must also be actively at work on the day your coverage begins. For life insurance and disability coverage you pay for, you must have also enrolled prior to your initial benefits eligibility

## ELIGIBILITY AND ENROLLMENT

date, otherwise your coverage takes effect the later of the date you enroll or the date your coverage is approved by the carrier. See the Life Insurance, Short-Term Disability and Long-Term Disability chapters, as well as the “Benefits Enrollment” on page 15 for more information.

### *Initial eligibility for rehired partners*

If you terminate and then are later rehired at Starbucks, you will need to establish initial benefits eligibility as described beginning on page 8. If it has been less than one year since you were previously covered under Starbucks benefits plan, your prior enrollment elections may be automatically reinstated once you establish initial eligibility. See “Benefits Enrollment” on page 15 for more information.

### Ongoing benefits eligibility

Once you have established initial eligibility, you maintain your eligibility by remaining an active partner at Starbucks and meeting the minimum paid hours criteria. The criteria that applies to you depends on where you work. If you meet the ongoing benefits eligibility criteria, then your eligibility and coverage remain intact.

Here is how ongoing benefits eligibility works:

|   | ALL U.S. MAINLAND PARTNERS   | RETAIL HOURLY PARTNERS WORKING IN HAWAII   | SALARIED/NONRETAIL HOURLY PARTNERS WORKING IN HAWAII                                       |
|---|--|--|--|
| <b>For ongoing benefits eligibility</b> | You must be paid a minimum of 240 hours during each calendar quarter.  | You must be paid a minimum of 80 hours during each calendar month.   | Your eligibility continues as long as you are an active partner, regardless of paid hours. |
| <b>Tracking your paid hours</b>         | Your paid hours will accumulate every pay date within the quarter and are displayed on your pay stub as “QTD Hours.” QTD Hours are refreshed to zero at the beginning of each new quarter. | Your paid hours will accumulate every pay date within the month and are displayed on your pay stub as “MTD Hours.” MTD Hours are refreshed to zero at the beginning of each new month. | Not applicable   |

### Paid Hours for Ongoing Eligibility

Paid hours for *ongoing benefits eligibility* include the hours that you are paid on pay dates that occur between the first day of the calendar quarter or month, based on your work location, through the last day of the calendar quarter or month. It is important to remember that hours you work toward the end of a calendar quarter/month are generally *paid* in the following calendar quarter/month. Questions about eligibility? Call Starbucks Benefits Center at (877) SBUXBEN.

### *Quarterly eligibility audits for partners working on the U.S. mainland*

Quarterly eligibility audits are performed on the first day of each calendar quarter on January 1, April 1, July 1 and October 1. During the audit, your paid hours within the previous calendar quarter are tallied.



**ELIGIBILITY AND ENROLLMENT**

Here is when the quarterly eligibility audits are held, and how they affect your benefits eligibility.

| <b>PAID HOURS MUST EQUAL<br/>AT LEAST 240 BY THE LAST<br/>PAYCHECK RECEIVED IN<br/>CALENDAR QUARTER</b> | <b>QUARTERLY BENEFITS<br/>ELIGIBILITY AUDIT<br/>PERFORMED ON</b> | <b>TO MAINTAIN BENEFITS<br/>ELIGIBILITY FOR</b> |
|---|--|---|
| October, November, December   | January 1  | February, March, April                          |
| January, February, March  | April 1  | May, June, July                                 |
| April, May, June  | July 1   | August, September, October                      |
| July, August, September   | October 1  | November, December, January                     |

Keep this in mind: Starbucks pay periods end on Sunday. Therefore, the last day you can work or request paid time off that will be counted on your paycheck is the Sunday prior to your pay date. If you transfer pay cycles throughout the calendar quarter, your pay dates may change, and you may need to adjust your hours in that quarter to maintain your benefits.

***Monthly eligibility audits for retail hourly partners working in Hawaii***

Monthly eligibility audits are performed on the last Friday of each calendar month. During the audit, your paid hours within the current calendar month are tallied.

**Losing benefits eligibility due to a reduction in paid hours**

If, based on the eligibility audit, it is determined that your paid hours fell below the minimum required to maintain ongoing eligibility, your benefits eligibility, coverage and payroll deductions will end as outlined below.

***Partners working on the U.S. mainland***

| <b>IF YOU ARE PAID FOR LESS THAN<br/>240 HOURS DURING</b> | <b>QUARTERLY ELIGIBILITY AUDIT<br/>PERFORMED ON</b> | <b>YOUR BENEFITS ELIGIBILITY AND<br/>COVERAGE WILL END</b> |
|---|---|--|
| October, November, December                               | January 1   | January 31   |
| January, February, March                                  | April 1   | April 30   |
| April, May, June  | July 1  | July 31  |
| July, August, September                                   | October 1   | October 31   |

***Retail Hourly Partners working in Hawaii***

If you are paid less than 80 hours in a calendar month, your benefits eligibility and coverage will end on the last day of that month.

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**ELIGIBILITY AND ENROLLMENT*****What happens when you lose benefits eligibility***

Coverage will end when your eligibility ends. Some benefits may be continued. See below for more information.

| <b>COVERAGE</b>  | <b>WHAT HAPPENS</b>  |
|--|--|
| <b>Health coverage</b>                                       | Your coverage (and coverage for your enrolled dependents) ends when your benefits eligibility ends. You may elect to continue your coverage under COBRA and pay the full cost of the coverage plus a 2% administration fee. You will be sent a COBRA enrollment kit shortly after your coverage ends. See the Your Rights and Responsibilities chapter for more information.             |
| <b>Short-term and long-term disability</b>                   | Coverage ends when your benefits eligibility ends. If you have been approved for disability benefits effective prior to this date, your disability benefits will continue per plan provisions.   |
| <b>Life insurance</b>  | Coverage (and coverage for your enrolled dependents) ends when your benefits eligibility ends. You have 31 days from the date your coverage ends to convert your Starbucks paid life insurance coverage to an individual policy, and to convert or port your supplemental life coverage. See the Life Insurance chapter for more information about converting and porting your coverage. |
| <b>Accidental death and dismemberment insurance</b>          | Coverage ends when your benefits eligibility ends.   |
| <b>Dependent care and health care reimbursement accounts</b> | Your participation ends as of your final contribution. If you have amounts remaining in your account, you may elect to continue your health care reimbursement account participation through the remainder of the plan year on an after-tax basis through COBRA. See Your Rights and Responsibilities chapter for more information.  |
| <b>Tuition reimbursement</b>                                 | If you were benefits eligible when your course was approved, your course approval will stand. However, you will not be eligible for further tuition reimbursement benefits unless you re-establish benefits eligibility.   |
| <b>Adoption assistance</b>                                   | Eligible adoption expenses incurred while you are not benefits eligible will not be eligible for reimbursement.  |

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**Re-establishing benefits eligibility**

If you lose eligibility because your paid hours fell below the minimum required, you can re-establish eligibility in a subsequent calendar quarter or month, as applicable, as long as you have remained an active Starbucks partner during this time. If your paid hours during a subsequent calendar quarter or month meet or exceed the minimum required for ongoing benefits eligibility, you will re-establish eligibility for benefits as shown on the next page.

**ELIGIBILITY AND ENROLLMENT*****Partners working on the U.S. mainland***

| IF YOU ARE PAID A MINIMUM OF<br>240 HOURS DURING | QUARTERLY ELIGIBILITY AUDIT<br>PERFORMED ON | YOUR BENEFITS ELIGIBILITY WILL<br>BEGIN AGAIN ON |
|--|---|--|
| October, November, December                      | January 1                                   | February 1                                       |
| January, February, March                         | April 1                                     | May 1  |
| April, May, June                                 | July 1                                      | August 1   |
| July, August, September                          | October 1                                   | November 1                                       |

***Retail Hourly Partners working in Hawaii***

Retail hourly partners who are paid 80 hours or more in a subsequent calendar month re-establish benefits eligibility the first of month following the month in which your paid hours equal or exceed 80.

***Re-establishing benefits eligibility in the same plan year***

If you lose eligibility, then subsequently re-establish eligibility within the same plan year, your prior enrollment elections and payroll deductions are automatically reinstated. A *Confirmation Statement* of your prior benefit elections will be mailed to your home shortly before your eligibility resumes for the mainland and shortly after for Hawaii.

***Re-establishing eligibility in a new plan year***

If you re-establish eligibility in a new plan year, we will mail a new Benefits Enrollment Kit to your home. If you want benefits coverage, you will need to re-enroll either online by logging onto Starbucks Benefits Source at [www.mysbuxben.com](http://www.mysbuxben.com), or by calling Starbucks Benefits Center at (877) SBUXBEN by the deadline shown on your enrollment worksheet.

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**What is a Plan Year?**

A plan year for Starbucks benefits begins on October 1 and ends the following September 30.

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**ELIGIBILITY AND ENROLLMENT*****If you transfer between Hawaii and the mainland***

It's important to know how your initial and ongoing benefits eligibility will be affected following a transfer between Hawaii and the mainland:

|  | FROM HAWAII TO THE MAINLAND   | FROM THE MAINLAND TO HAWAII  |
|--|---|--|
| <b>If you had not yet established initial benefits eligibility</b> | Your paid hours in Hawaii will count toward the initial eligibility calculation that applies to partners working on the mainland.   | If applicable, your paid hours on the mainland will count toward the initial eligibility calculation that applies to partners working in Hawaii.   |
| <b>If you had established initial eligibility</b>                  | <p>Your paid hours in Hawaii will count toward the mainland quarterly eligibility audit.</p> <p>You will be subject to the first quarterly audit that coincides with or immediately follows the date your transfer is recorded in the payroll system.</p> | <p>If applicable, your paid hours on the mainland will count toward the Hawaii monthly eligibility audit.</p> <p>You will be subject to the first monthly audit that coincides with or immediately follows the date your transfer is recorded in the payroll system.</p> |

Your benefits eligibility may also be affected when you take a leave of absence. Information about benefits eligibility while on a leave of absence begins on page 27.

**Benefits Enrollment**

You can enroll for benefits coverage upon reaching initial eligibility, during the annual open enrollment period (described on page 24) or anytime you have a qualified status change (see "Making Changes" on page 24).

**Initial benefits enrollment**

Once you have established initial benefits eligibility at Starbucks, you can enroll for the benefits you choose, and you can also enroll your eligible dependents. To help you make your enrollment decisions, a benefits enrollment kit is mailed to your home address, as recorded in Starbucks payroll system, shortly after you establish initial benefits eligibility. Your benefits enrollment kit includes a personalized enrollment worksheet with your enrollment deadline and information on your benefits options and costs.

When you receive your benefits enrollment kit, log onto Starbucks Benefits Source at [www.mysbuxben.com](http://www.mysbuxben.com), where you can compare your medical coverage options, get a coverage recommendation, take the HealthQuotient (HQ) health assessment and enroll in coverage. If you have questions or need help enrolling, call Starbucks Benefits Center at (877) SBUXBEN. If you want coverage, you must enroll by the deadline shown on your enrollment worksheet.

If you are incapacitated and unable to call to enroll, an individual with your power of attorney may call on your behalf to enroll you in benefits coverage.

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## ELIGIBILITY AND ENROLLMENT

The coverage you elect will remain in place through the end of the plan year — a plan year is October 1 through September 30 — unless you have a qualified status change during the year. For more information see “Making Changes” on page 24.

### Initial enrollment for rehired partners

If you are rehired less than 30 days from your termination date and you establish initial benefits eligibility in the same plan year (October through September) in which you terminated:

- Your prior benefit enrollment elections are automatically reinstated and
- A *Confirmation Statement* outlining your enrollments and payroll deductions is mailed to your home address.

If you are rehired *30 days or more* after your termination date and you establish initial eligibility in the same plan year:

- Your prior benefit enrollment elections are automatically reinstated,
- A *Confirmation Statement* outlining your benefit enrollments and payroll deductions is mailed to your home address, and
- You have 31 days from your coverage begin date to call Starbucks Benefits Center to either cancel or change your benefit enrollments.

If you are rehired and establish initial benefits eligibility in a new plan year (for example, you terminate in August, are rehired in October and establish initial eligibility in January):

- A benefits enrollment kit is mailed to your home address, and
- You must enroll by the deadline to receive benefits coverage.

If you were not enrolled in coverage prior to your termination date, you will be reinstated in your previous election of no coverage if you are rehired in the same plan year and establish initial benefits eligibility.

### Confirmation statement

If you enroll by speaking with a Benefits Center representative, we will mail you a *Confirmation Statement* reflecting your benefit enrollment elections. Be sure to review your *Confirmation Statement* and report any corrections to Starbucks Benefits Center by the deadline shown on your *Confirmation Statement*. If you enroll online, you can print a *Confirmation Statement* after completing your enrollment. If you did not enroll for benefits by the deadline shown on your enrollment worksheet, this will be reflected on your *Confirmation Statement*. You will have a limited grace period (31 days) in which to call and enroll for benefits.

### If you do not enroll by the deadline

If you do not enroll by the deadline shown on your *Confirmation Statement*, you will not be covered for the remainder of the plan year — through September 30. Your next chance to enroll will be during the next annual benefits open enrollment period.

However, if you have a qualified status change during the year, you may be able change your benefits during the plan year, provided you call within 45 days of your status change. For details on the kinds of changes you are allowed to make, see “Making Changes” on page 24.

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**ELIGIBILITY AND ENROLLMENT****HC-5 requirement for partners working in Hawaii**

If you waive Starbucks medical coverage when you become initially eligible for benefits and during each annual open enrollment thereafter, you must return a completed State of Hawaii HC-5 form to prove you have medical coverage elsewhere. If you do not return this form and continue to be eligible for Starbucks benefits, you will be automatically enrolled in Starbucks partner-only medical coverage and will be responsible for any applicable payroll contributions.

**Double Coverage Doesn't Always Pay Off**

You may have the opportunity to be covered under more than one medical or dental plan at a time. Many health coverage plans — including Starbucks — are designed to prevent any overpayment of benefits when this happens. This is called coordination of benefits. Under this provision, the amount normally reimbursed under your health care plan is reduced to reflect payments made by another group plan. This means that in many cases you will receive little or no additional benefit from the second plan. For more information, see “Coordinating Your Benefits” on page 241 and keep this in mind when selecting your benefits.

**Coverage Categories**

You can choose to cover eligible dependents (see “Eligible Dependents” below) under the medical, dental and vision plans if you also enroll for these plans. You have four coverage categories to choose from:

1. Partner only
2. Partner plus spouse or domestic partner
3. Partner plus child(ren)
4. Partner plus family

You can choose a dependent coverage category for each different health plan. For example, you can choose “partner only” medical coverage and “partner plus child(ren)” dental coverage. The cost of each benefit option varies depending on the coverage category you choose and what plan you enroll in.

When you enroll a dependent in any of the health plans, such as medical, dental or vision, you must also be enrolled in that same plan. In other words, you must choose the same medical plan for yourself and your enrolled dependents.

If you enroll your dependents when you initially enroll, their coverage begins when your coverage begins. If your eligibility lapses because you did not maintain your ongoing paid hours requirement, coverage for your eligible dependents will also lapse. When your coverage on the active plan ends, their coverage will also end.

**Eligible Dependents**

These are the people we consider eligible for coverage under Starbucks benefits:

- Your spouse
- Your domestic partner

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**ELIGIBILITY AND ENROLLMENT**

- Your children up to the end of the month in which they reach age 19 — or age 23 if they are full-time students — and who depend on you solely for support. When applicable law requires child coverage beyond these dates, Starbucks will comply with the law(s).

---

## **No Dual Coverage**

You may not be covered under Starbucks benefits plans as both a partner and a dependent. If you are related to or are the spouse or domestic partner of another Starbucks partner, you must carry your own coverage (unless you are a dependent child under age 19 or age 19 through 22 and considered a full-time student, or certified as a disabled dependent, in which case you may remain on your parent's coverage). No child may be covered as a dependent of more than one Starbucks partner.

---

## **Your spouse**

To be covered under Starbucks benefits, your spouse must be your *lawful* spouse, which means you must be legally married. A spouse from whom you are legally separated is not eligible. If you live in a state that recognizes common-law marriages, we recognize your common-law spouse as your lawful spouse.

### ***Same-sex spouse limitations***

Most Starbucks benefits plans consider your same-sex spouse as your qualified dependent, as long as your same-sex spouse meets the definition described in this section. However, there are some exceptions.

- **Reimbursement accounts:** Expenses incurred for your same-sex spouse who is not considered your tax dependent may not be reimbursed through the health care and dependent care reimbursement accounts.

### ***Taxation of same-sex spouse benefits***

When you enroll your same-sex spouse or your same-sex spouse's children in Starbucks health benefits, you will be taxed on the value of their coverage, as required by the Internal Revenue Service (IRS), unless the covered individuals satisfy the Internal Revenue Code definition of dependent. State income taxes may also apply. Your payroll deduction and the amount that Starbucks contributes towards your same-sex spouse's coverage are taxable to you. This is called imputed income.

When you have elected same-sex spouse coverage, the imputed income is reflected on your paycheck each pay period. For more information, call Starbucks Benefits Center at (877) SBUXBEN and talk with a Benefits Center representative.

## **Your domestic partner**

Starbucks covers same- or opposite-sex domestic partners as defined on the next page. Both you and your domestic partner need to satisfy all the requirements to be considered each other's domestic partner. If you enroll your domestic partner, you will be required to sign a declaration affirming your relationship and return it to Starbucks Benefits Center by the deadline provided. You will be responsible for any applicable payroll contributions you may have missed while the signed declaration is being processed. If you do not sign and return the declaration by the deadline provided, your initial request to cover your domestic partner and his/her children will not become effective.

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**ELIGIBILITY AND ENROLLMENT**

To be eligible for Starbucks benefits, you and your domestic partner must satisfy all of the following requirements:

- Be age 18 or older
- Have an emotional commitment to one another
- Not be blood-related
- Live together permanently
- Share the common necessities of life
- Consider each other life partners
- Share financial interdependence
- Have joint responsibility for each other's welfare
- Not be legally married to or separated from each other, or anyone else

If you enroll and certify an individual as your domestic partner who does not meet the criteria to be considered eligible under Starbucks plans, you will be subject to corrective action, which may include termination of employment.

If you cancel health coverage and/or life insurance coverage for your domestic partner during a plan year due to your relationship ending, and you subsequently commence a second relationship with the same individual (as a domestic partner), your domestic partner may not be eligible for coverage under Starbucks benefits plans until the next plan year (October 1).

---

### **Parents, Roommates, and Siblings Are Not Dependents**

Your parents, roommates, sisters and brothers — even if they live with you — do not qualify as dependents under Starbucks benefits plans. Nor do your grandparents, nieces, nephews or anyone else who does not meet Starbucks definition of an eligible dependent.

---

#### ***Domestic partner limitations***

Most Starbucks benefits plans consider your domestic partner as your qualified dependent, as long as your domestic partnership meets the definition described in this section. However, there are some exceptions.

- **Reimbursement accounts:** Expenses incurred for your domestic partner who is not considered your tax dependent may not be reimbursed through the health care and dependent care reimbursement accounts.

#### ***Taxation of domestic partner benefits***

When you enroll your domestic partner or your domestic partner's children in Starbucks health benefits, you will be taxed on the value of their coverage, as required by the Internal Revenue Service (IRS), unless the covered individuals satisfy the Internal Revenue Code definition of dependent. State income taxes may also apply. Your payroll deduction and the amount that Starbucks contributes towards your domestic partner's coverage are taxable to you. This is called imputed income.

When you have elected domestic partner coverage, the imputed income is reflected on your paycheck each pay period. For more information, call Starbucks Benefits Center at (877) SBUXBEN and talk with a Benefits Center representative.

**ELIGIBILITY AND ENROLLMENT**

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**Proof of dependent status**

If you enroll a dependent in a Starbucks benefits plan, we may ask you at any time for proof that your dependent meets the definition of an eligible "dependent" as outlined above. Examples of acceptable documentation to establish your dependent's relationship include but are not limited to:

- Marriage certificate
- Domestic partner order
- Birth certificate
- Adoption order

If it is determined that the individual(s) you enrolled does not qualify as a dependent, Starbucks will take corrective action, which may include termination of employment.

---

**Your children**

Your unmarried, dependent children are eligible for benefits until the end of the month in which they turn age 19 — or age 23 if they are full-time students.

Your dependent children under age 19 are eligible for coverage if they qualify for tax-free coverage under federal law. Your dependent children include:

- Biological children
- Adopted children who, at the time of adoption or placement for adoption, were under age 18
- Children you financially support who live with you in a parent-child relationship
- This includes stepchildren, grandchildren, foster children and children for whom you are the legal guardian. This also includes children of your domestic partner, but only if you provide over half of the child's support.
- Dependent children age 19 or older, and under age 23, if they are full-time students and solely depend on you for financial support

If you have a dependent child who fits this category, you must certify your child's full-time student status by the last day of the month in which your child turns 19. You may be required to provide proof of full-time enrollment in school. If you fail to certify full-time student status, your child's coverage will end the last day of the month in which your child turns 19. You will also be required to certify continued full-time student status annually.

---

**Extended coverage for ill college students**

If one of your covered dependents is a full-time college student and he or she is unable to continue classes due to an illness or injury and loses student status, you may continue to cover him or her under Starbucks benefit plans for up to 12 months.

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***Specific requirements for dependent children***

Your unmarried, dependent children must meet the conditions below to qualify for benefits coverage.

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**ELIGIBILITY AND ENROLLMENT**

- Children including legally adopted children and stepchildren, or children and stepchildren placed with you for adoption — may be considered dependents if you or the child's other parent have physical custody during the greater portion of the year and provide at least 50% of their financial support during the calendar year.
- Full-time students may be considered dependents only if they are registered for at least 12 course credits per term at an accredited college or university, including a trade or vocational school. If the institution defines "full-time" student status in some way other than semester credit hours, the child is taking a course load that is considered full time by the institution and that course load is equivalent to at least 12 course credits per semester, then the child is considered a full-time student.
- Dependent grandchildren or individuals for whom you are the legal guardian may be considered dependents if you have physical custody during the greater portion of the year, and you provide more than 50% of their financial support during the calendar year.
- Foster children may be considered dependents only if they will be in your custody for an entire tax year, and you provide more than 50% of their financial support during the calendar year. The HMSA Preferred Provider Plan does not allow for coverage of foster children. Hartford Life and Accident Insurance Company does not offer child life insurance coverage for foster children.
- Mentally or physically disabled children may continue to be covered past the maximum age limits — 19 and 23 — if they are fully disabled. Fully disabled means your child cannot earn a living because of mental retardation or a physical handicap that started before they reached the maximum age for dependent children. The child must depend primarily on you for support and maintenance (and meet the IRS requirements for tax dependents), and at the time the child became disabled, either the child was covered under this plan as an eligible dependent or the parent who would be enrolling the child for coverage under this plan was not yet employed by Starbucks or not an eligible partner. Also, the plan may require certification of the child's disability from time to time. To apply for coverage, call Premiera Partner Services at 877-728-9020 to obtain a Certification of Handicapped Dependent form. Complete this form in conjunction with your child's physician and submit it to Premiera for review and confirmation of eligibility. If you are enrolled in the HMSA Preferred Provider Plan or Kaiser HMO, contact your carrier directly for information on covering disabled children.
- Children who are covered under a Qualified Medical Child Support Order (QMCSO) are eligible dependents for health coverage, even if you are not able to otherwise claim them as dependents for federal income tax purposes. A QMCSO is a formal court order or administrative order, and usually issued as part of a divorce decree or child support agreement that requires a parent to enroll dependent children in his or her health plan. Upon receipt of a valid QMCSO, Starbucks may enroll the dependent child(ren) in accordance with the court order. If you are not enrolled in a Starbucks health plan but are benefits eligible and we receive a valid QMCSO, Starbucks will enroll you and the dependent child in accordance with the court order. Because this order requires you to provide health care coverage for these children, they will be enrolled until the court order is removed or until they no longer meet the other eligibility requirements. For more information about QMCSOs, see "Qualified Medical Child Support Order" on page 268.

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**ELIGIBILITY AND ENROLLMENT****Cost Sharing**

This table shows how benefit costs are shared between you and Starbucks. When you share the cost for coverage, your portion of the cost is taken through payroll deductions. For more information on how payroll deductions, deductibles and copays are applied under each benefit plan, see the individual chapters within this guide.

| STARBUCKS PAYS 100% OF THE COST  | YOU ELECT COVERAGE AND YOU AND STARBUCKS SHARE THE COST  | YOU ELECT COVERAGE AND PAY 100% OF THE COST   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Employee Assistance Program</li> <li>• Short-term disability</li> <li>• Long-term disability insurance for salaried and nonretail hourly partners</li> <li>• Basic life insurance for salaried and nonretail hourly partners</li> <li>• Tuition reimbursement</li> <li>• Adoption assistance</li> </ul> | <ul style="list-style-type: none"> <li>• Health coverage (medical, dental and vision)</li> </ul> | <ul style="list-style-type: none"> <li>• Reimbursement accounts (for salaried and nonretail hourly partners)</li> <li>• Long-term disability for retail hourly partners</li> <li>• Supplemental partner life insurance</li> <li>• Dependent life insurance</li> <li>• Partner accidental death and dismemberment insurance</li> </ul> |

**Payroll deductions**

Your contributions for benefits, such as medical, dental and vision, are taken from your paycheck each pay period — in the form of payroll deductions — before taxes are taken out. This reduces your taxable earnings, and you pay less in income taxes.

For other benefits, such as spouse or domestic partner or child life insurance, your contributions are deducted on an after-tax basis. Check out the individual plan chapters for information about how your portion is deducted from your paycheck.

Costs for each plan may vary from year to year, and you will be notified of any changes during the annual open enrollment period. In the meantime, visit Starbucks Benefits Source at [www.mysbuxben.com](http://www.mysbuxben.com) or call Starbucks Benefits Center at (877) SBUXBEN for information on current payroll deduction amounts.

**Missed payroll deductions**

You pay for the cost of your benefits coverage (including taxes on imputed income and additional contributions) through automatic payroll deductions. If you do not receive a paycheck because of your absence, your missed deductions will be taken from your next available paycheck. Benefit contributions are not deducted from any disability benefits or military allowance payments you may receive.

If you are not on an approved leave of absence and the amount of your paycheck is not sufficient to cover the cost of your benefits, your coverage may be changed to a lower cost plan or cancelled due to non-payment.

If you take an approved leave of absence, you will continue to pay the same active benefits contributions on leave as you did while you were active. Starbucks Benefits Center will send you a bill each month you are on leave as follows:

- Billing will begin the first of the month following the start of your leave.

**ELIGIBILITY AND ENROLLMENT**

- Beginning the first of the month following your return to work, you will transition back to your normal payroll-deducted benefits contributions.

Contributions you owe for the period of time between when your leave begins and when monthly direct billing starts will be collected through payroll deductions from regular and/or vacation payments you receive while on leave or immediately following your return to work. For example, if you were on leave August 5 through September 30, your August benefit contributions would be payroll deducted upon your return to work or from any pay you receive while on leave. Starbucks Benefits Center would bill you for September contributions.

If you do not maintain your benefits contribution payments while on leave, your coverage may be cancelled due to non-payment, and any unpaid contributions will be collected upon your return to work.

**HealthQuotient – Health Assessment**

If you are enrolled in a medical plan, take HealthQuotient (HQ) – an online health questionnaire powered by WebMD – to pay the lower rate for your medical coverage. If covered by a Premera plan, you'll also be eligible for the Plus plan options. You must complete HQ by your enrollment deadline when you first become eligible for benefits and then each year during benefits open enrollment. If you do not complete HQ by your enrollment deadline, you will pay the higher rate for your medical coverage and not be eligible for the Premera Plus plan options.

The goal of HQ is to help you learn more about your health and your health risks. By knowing your risks, you can take action to reduce them. HQ will recommend lifestyle changes as well as provide information on tools and programs that are available through Starbucks to help you live healthier. Some partners may also be eligible for health coaching through WebMD, and will be contacted by WebMD if they are eligible.

To take the HQ, log on to Starbucks Benefits Source at [www.mysbuxben.com](http://www.mysbuxben.com). You can link to HQ from the home page, the Enroll in Benefits page or by clicking Health Tools and selecting HealthQuotient. If you are unable to access it online, contact Starbucks Benefits Center at (877) SBUXBEN to request a paper version.

**Your Personal Health Information**

WebMD has received the highest recognition in the e-health industry for its protection of users' privacy and security of their personal health information. Through your username and password, you will be the only one with access to your personal health information. Starbucks takes the privacy of your personal health information seriously. Any information you provide will remain confidential, will reside on WebMD's system and will not be shared with Starbucks.

**If you lose and re-establish benefits eligibility**

If you enroll in medical coverage, lose benefits eligibility and then re-established eligibility in the same plan year, you must have a current HQ on file when your coverage is reinstated to pay the lower rate for your medical coverage and be reinstated in a Premera Plus plan option. If you re-establish eligibility in a new plan year, you will need to take the HQ by your enrollment deadline to pay the lower rate for medical coverage and be eligible for the Premera Plus plan options.

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**ELIGIBILITY AND ENROLLMENT****Making Changes**

When you enroll in or waive benefits — whether you are initially eligible or during an annual open enrollment period — your choices remain in effect for the entire plan year, which runs from October 1 through September 30. There are several situations that could automatically change some of your benefits or allow you to make changes to your enrollment. They are:

- During the annual benefits open enrollment period
- When you change positions from retail hourly to salaried or nonretail hourly
- When you change positions from salaried or nonretail hourly to retail hourly
- When you have what is called a *qualified status change*

**Annual open enrollment**

Open enrollment is a time when you may make changes to your benefit elections for yourself and your eligible dependents. Changes you can make include, but are not limited to, changing your medical plan options, taking the HealthQuotient to pay the lower rate for your medical coverage, adding or dropping eligible dependents and increasing or decreasing your life insurance coverage amount.

Each year, the annual open enrollment period takes place during the summer – typically for three weeks in August. Enrollment changes are in effect the following plan year, from October 1 through September 30.

During open enrollment, we will mail information to you at your home address on record in Starbucks payroll system. Review this information and make any changes to your benefits enrollment, including completing the HQ by the open enrollment deadline. You will also be sent notice of any changes to the cost of coverage for the new plan year. In order to receive your open enrollment materials in a timely manner, it is important that you make sure Starbucks always has your current mailing address. If you have provided an alternative address, it will be sent there.

***Annual open enrollment HC-5 requirement for partners working in Hawaii***

Partners working in Hawaii who choose to waive Starbucks medical coverage during annual open enrollment must return a completed State of Hawaii HC-5 form to prove you have medical coverage elsewhere. If you do not return this form and continue to be eligible for Starbucks benefits, you will be automatically enrolled in Starbucks partner-only medical coverage and will be responsible for any applicable payroll contributions.

**Must Re-Enroll in Reimbursement Accounts**

If you are enrolled in the health care or dependent care reimbursement accounts, you will need to re-enroll each year during open enrollment to continue your reimbursement accounts in the next plan year.

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**ELIGIBILITY AND ENROLLMENT****Changing positions from retail hourly to salaried or nonretail hourly**

The following highlights what happens to your coverage when you change from a retail hourly position to a salaried or nonretail hourly position. Please refer to the specific coverage chapters for more details:

- You become eligible to enroll in the health care and dependent care reimbursement accounts.
- You are eligible for personal days and your vacation schedule may change.
- You are automatically enrolled in long-term disability (LTD) coverage, paid for by Starbucks. Your elected LTD coverage as a retail hourly partner will end.
- You are automatically enrolled in Starbucks-paid basic life insurance equal to one times your annual base pay.
- Your elected supplemental life insurance and AD&D coverage options change from flat dollar amounts to multiples of your annual base pay. Your coverage as a retail hourly partner will end and you must re-enroll to continue coverage (including dependent life coverage).

**Changing positions from salaried or nonretail hourly to retail hourly**

The following highlights what happens to your coverage when you change from a salaried or nonretail hourly position to a retail hourly position. Please refer to the specific coverage chapters for more details:

- You are no longer eligible to participate in the health care or dependent care reimbursement accounts. However, you may elect to continue participation in your health care reimbursement account on an after-tax basis through COBRA. See Your Rights and Responsibilities chapter for more information about COBRA.
- You are no longer eligible for personal days and your vacation schedule may change.
- Your Starbucks-paid long-term disability coverage ends. You can enroll in and pay for retail hourly long-term disability (LTD) insurance.
- Your Starbucks-paid basic life insurance ends.
- Your elected supplemental life insurance and AD&D coverage options change from multiples of pay to flat dollar amounts. Your coverage as a salaried or nonretail hourly partner will end and you must re-enroll to continue coverage (including dependent life coverage).

**Qualified status changes**

If you have what is called a qualified status change during the year, you may be able to change your benefit elections midyear if one of the following events occurs, but only if the election is consistent with the change in your status. Your changes must also correspond to any changes your spouse, domestic partner or child makes to his or her coverage under another employer's plan.

For these events, your enrollment change goes into effect on the date of the event:

- Change in number of eligible dependents due to birth, adoption, placement for adoption or death
- Change in your job status, such as transferring from a retail hourly to salaried partner, which results in new coverage options

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For these events, your enrollment change goes into effect on the first day of the month following the event:

- Gain or loss of eligibility for a dependent under a Starbucks plan
- Change in legal marital or domestic partnership status, including marriage, divorce, start or end of a domestic partnership, legal separation, annulment of a marriage, or death of a spouse or domestic partner
- Loss of benefits eligibility or coverage for your spouse or domestic partner or children, or loss of all contributions by another employer for coverage
- End of the maximum period of COBRA coverage through another employer, if COBRA was in effect when your last benefit election went into effect (enrollment limited to health plans, if no other status change occurs)
- Employment status changes for your spouse or domestic partner or children (specifically, starting or ending employment; starting or returning from an unpaid leave, a strike or lockout; or a change in a family member's work site)
- Gain or loss of benefits eligibility due to a quarterly eligibility audit (you may elect to cancel your benefit enrollment for the remainder of the plan year, which means your next opportunity to enroll for benefits coverage will be during a subsequent annual open enrollment period)
- Starting or returning from an approved leave of absence, as permitted under Starbucks leave policies
- Medicare or Medicaid entitlement or loss of Medicare or Medicaid coverage (changes limited to health coverage and health care reimbursement account) for you, your spouse or domestic partner or children
- Your spouse or domestic partner or child gaining a new benefit option
- Court order requiring health coverage for a child when they are losing existing coverage elsewhere
- A benefit change under another employer's plan elected by your spouse or domestic partner or children during the annual open enrollment (or at other times in accordance with IRS rules)
- Your child becoming ineligible for dependent care reimbursements, such as reaching age 13 (your change is limited to changing your dependent care reimbursement account contribution)
- An increase in the cost of dependent care, resulting, for example, from a change in day care providers, an increase in the fees of a provider who is not a relative, increasing a nanny's pay or other similar reasons (your change is limited to increasing your dependent care reimbursement account contribution)

For this event, your enrollment change goes into effect on the date we receive notification of your change:

- Change in residence or work site, resulting in a loss of coverage or a change of plan options

To see whether your situation is eligible for a change in benefits, or to make changes to your benefit elections, log on to Starbucks Benefits Source at [www.mysbuxben.com](http://www.mysbuxben.com) and click Enroll or Make Changes to Your Benefits or call Starbucks Benefits Center at (877) SBUXBEN within 45 days after your change in status. If you are adding a newborn child to coverage, you have 60 days from their birth date to make the change. If the 45th day (or 60th for a newborn) falls on a Saturday or Sunday or on a Starbucks Benefits Center recognized holiday, you must call on the next following business day. If you do not call and make your changes within 45 days (or 60 days to add a newborn), you will not be able to change your benefits election due to that status change until the next open enrollment period.

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**ELIGIBILITY AND ENROLLMENT****Benefits Eligibility While on an Approved Leave of Absence**

Your eligibility for benefits while on an approved leave of absence will vary depending on the reason for your leave, the length of your leave and your benefits eligibility status.

**Personal leave**

As during active employment, you must continue to be paid the minimum hours for ongoing eligibility to maintain or re-establish benefits eligibility during a personal leave. Personal leave does not extend your benefits eligibility or coverage, and does not exempt you from the ongoing eligibility audits. You may want to increase your hours before and/or after your personal leave to make up for the hours you will miss because of your absence. Vacation paid to you while on a personal leave will count toward your benefits eligibility requirement. Refer to “Ongoing benefits eligibility” on page 11 for more information regarding paid hours and benefits eligibility.

**Career Coffee Break (Starbucks unpaid sabbatical leave)**

If you are benefits eligible at the start of your Career Coffee Break, you will retain your benefits eligibility while on a Career Coffee Break. Upon return to work from an approved Career Coffee Break, you will not be subject to an ongoing benefits eligibility audit until you have returned for one full calendar quarter (for mainland partners) or month (for Hawaii partners). Refer to “Ongoing benefits eligibility” on page 11 for more information.

**Family/Medical, Medical and Disability leave**

If you are benefits eligible at the start of your approved Family/Medical, Medical or Disability leave (and you passed the most recent eligibility audit prior to your leave commencing), your benefits eligibility will be affected as follows:

- If your leave does not exceed 26 weeks, your benefits eligibility will continue through the end of the month in which you reach your 26th week of continuous Family/Medical, Medical or Disability leave. No more than 26 weeks of benefits eligibility will be allowed for a continuous Family/Medical, Medical or Disability leave in a 12-month period.
- If your leave exceeds 26 weeks, your eligibility will be cancelled at the end of the month in which your leave exceeds 26 weeks.

Upon return to work from an approved Family/Medical, Medical or Disability leave exceeding 26 weeks, your benefits eligibility and coverage will be reinstated the first of the month following your return to work. Your ongoing benefits eligibility requirement after you return from leave will be prorated to reflect your time away from work. Refer to “Ongoing benefits eligibility” on page 11 for more information.

**Impact to benefits**

The impact to your benefits enrollment depends on your benefits eligibility status during the leave and, in some cases, the length of your leave. The following provides a general summary of the impact for Family/Medical, Medical, Disability and Career Coffee Break leaves. The impact to your benefits as a result of a Military leave is addressed on page 28. For specific details, refer to “If you take an approved leave of absence” within the specific coverage chapters of this guide.

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**ELIGIBILITY AND ENROLLMENT**

Your Starbucks coverage will continue as outlined below:

- **Medical, dental and vision:** Current coverage continues while considered benefits eligible. You will be required to continue your benefit contributions. The maximum coverage continuation during a Career Coffee Break is 12 months and the period of coverage continuation will reduce your available COBRA continuation period if you do not return from your Career Coffee Break.
- **Partner and dependent life insurance, accidental death and dismemberment insurance:** Current coverage continues while considered benefits eligible. You will be required to continue making contributions for coverage you elected. When coverage ends, you can elect to continue coverage through conversion or portability options. The maximum coverage continuation during a Career Coffee Break is 12 months.
- **Disability coverage:** Current coverage continues while considered benefits eligible, except that STD coverage ends upon commencement of your Career Coffee Break. Retail hourly partners must continue making premium payments to continue LTD coverage. If you become disabled while on a leave, short-term disability benefits will not begin until the date you were scheduled to return from your leave.
- **Dependent care reimbursement account:** Participation is suspended effective the start of your leave. Participation is reinstated upon your return to work unless you return in a new plan year.
- **Health care reimbursement account:** You have the option to continue making your contributions while on an approved leave. If you do so, you retain your full annual election amount and may submit expenses incurred during your leave of absence. Otherwise, participation is suspended effective the start of your leave. Your annual election is reduced by the amount of your missed contributions and expenses incurred during your leave are not eligible for reimbursement. Participation is reinstated upon your return to work unless you return in a new plan year. Contact Starbucks Benefits Center at (877) SBUXBEN to continue your participation.
- **Employee Assistance Program:** Benefit continues.
- **Adoption assistance, tuition reimbursement:** Benefits remain available while considered benefits eligible.
- **Partner markout and discount:** Benefits continue during leaves of absence to a maximum of 12 months.

## Making changes to benefits while on leave

Generally, changes to your Starbucks coverage while on leave are not allowed unless you experience a qualified status change (see "Making Changes" on page 24) or during annual open enrollment. Changes to life insurance (including spouse or domestic partner and child life coverage), accidental death and dismemberment insurance, and retail long-term disability elections are only allowed when you are actively at work.

## Military leave

### *Annual reserve training*

While on annual training leave, as during active employment, you must continue to be paid a minimum of 240 hours each calendar quarter (80 hours a month in Hawaii) to maintain or re-establish benefits eligibility. Annual reserve training does not extend your benefits eligibility or coverage, and does not exempt you from the ongoing eligibility audits.

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